

3 1761 11968167 4

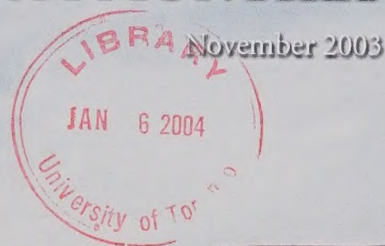
TOURISM

CANADA'S TOURISM MONTHLY

CA1

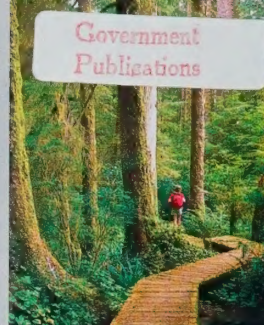
TI 125

- C52



November 2003

Government
Publications



Domestic program reviewed, confirmed

Developing clusters of tourism momentum

Assess the health of your business

Discover our true nature

CANADIAN
TOURISM
COMMISSION

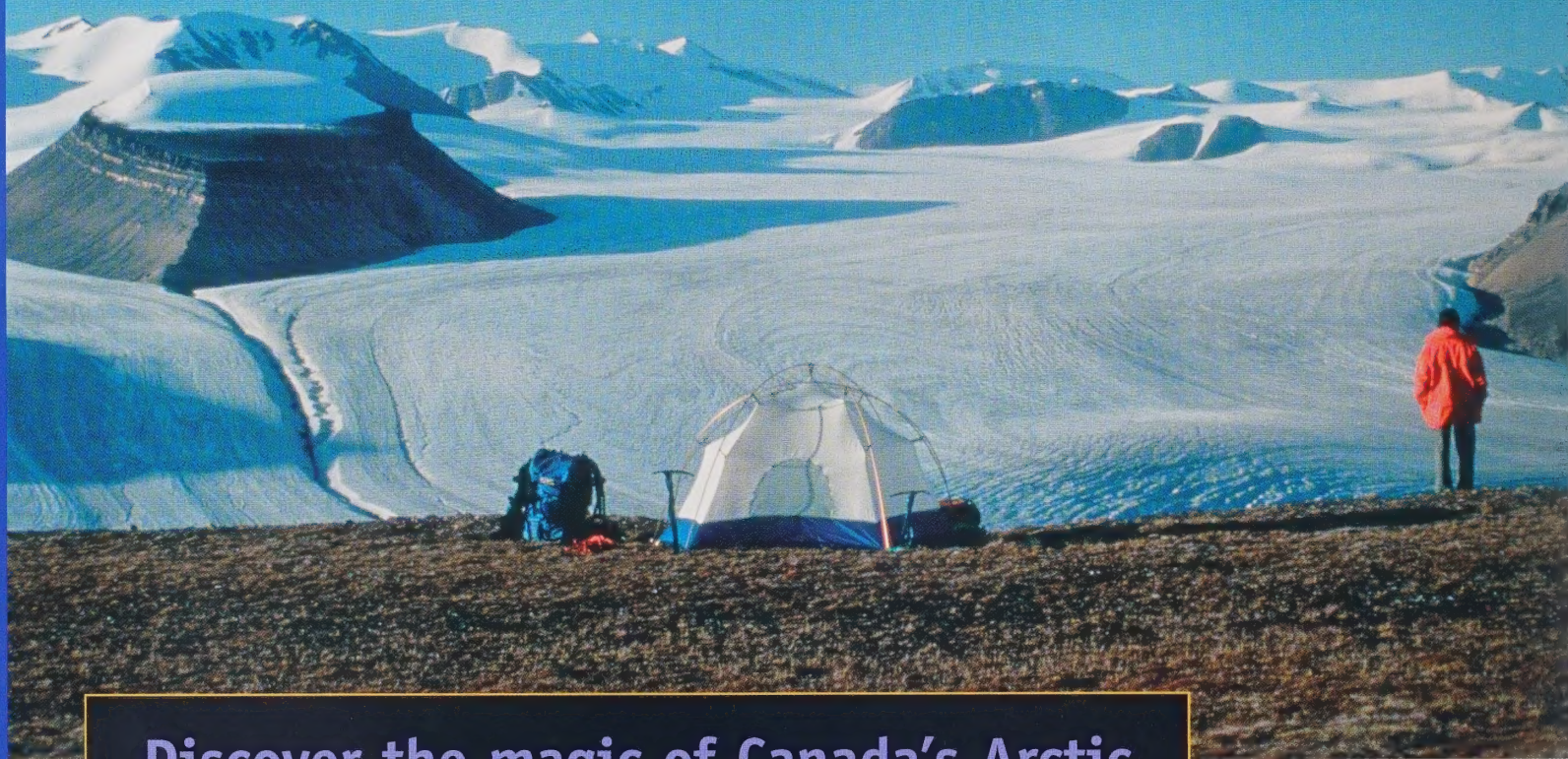


COMMISSION
CANADIENNE
DU TOURISME



Canada

Expand your horizons



Discover the magic of Canada's Arctic

Canada's Arctic is a destination unlike any other.

It's an adventure in Northern tourism and growing business opportunities that First Air has helped open to the world. Our fleet of 727 and 737 jets have made travel to this Canadian frontier more convenient and economical than ever. We are Northern experts in transportation and the only airline that brings you 24 scheduled Northern destinations and a world of choice in charter services. And, through our partnership with Air Canada, connections from major Southern gateways including Montreal, Ottawa, Winnipeg and Edmonton are seamless.

Book First Air (7F) The Airline of the North!

First Air is displayed as 7F in all CRS systems worldwide. For details, visit our Web site at www.firstair.ca

Aéropian



What you said about TOURISM online

As we move toward the launch of *TOURISM* online in January 2004, we have encouraged you to share your ideas with us regarding the new publication. We asked what sections were most valuable, and where you thought we could make changes. The majority of you were disappointed with the Canadian Tourism Commission's decision to eliminate the print issue, but understood the reasoning for going online although you will miss the ability to leaf through the publication at your leisure and make it available for your clients to read. Here are some other findings:

- Markets, research and product development are the most popular sections.
- Research and analysis should be in a format that is better suited to small business, with the meaning around the numbers.
- Best practices and case studies both domestically and internationally are valuable resources.
- You want more frequent information about new marketing trends, tools, and programs.
- You've asked us to keep bringing you the news. More content and more frequent delivery were cited as a positive development in an online version.

Thank you for your feedback; it will help us to fine tune the magazine as we move forward. One final point of interest: the majority of you (almost 80 percent) indicated you would continue to read *TOURISM* in an online format. We will work very hard to ensure this number increases over time!

And remember, *TOURISM* online will be proactively delivered to subscribers via email. If you have not already done so, we encourage you to send your email and contact information to tourism@ctc-cct.ca. 🍁

Comments: deschenes.isabelle@ctc-cct.ca

IN OUR COMING ISSUES

In the coming year, *TOURISM* online will focus on markets. Beginning in January we look at how the CTC approaches its marketing tasks. Through the coming months we will look at each of our markets in an effort to better understand the role of research to drive recovery, planning, business development, and expansion. Of course, we will continue to provide perspectives on new product ideas, opportunities, and best practices, within a market context.

As always, we encourage our readers to be part of our editorial team, through sending us information, suggestions, and points of view. *TOURISM* will continue to be the tourism industry's magazine. 🍁

Contact: tourism@ctc-cct.ca

TOURISM

CANADA'S TOURISM MONTHLY

November 2003, Volume 7, Issue 9
ISSN 1499-5719

TOURISM is published by the Canadian Tourism Commission in cooperation with the Canadian tourism industry.

■ The Canadian Tourism Industry

Vision: Canada will be the premier four-season destination to connect with nature and to experience diverse cultures and communities.

Mission: Canada's tourism industry will deliver world-class cultural and leisure experiences year round, while preserving and sharing Canada's clean, safe and natural environments. The industry will be guided by the values of respect, integrity and empathy.

www.travelcanada.ca
www.canadatourism.com

■ Publisher

Ghislain Gaudreault
Canadian Tourism Commission
55 Metcalfe Street, Suite 600
Ottawa ON K1P 6L5
Tel.: 613-954-3919
Fax: 613-946-2843
gaudreault.ghislain@ctc-cct.ca

■ Editor-in-Chief

Peter G. Kingsmill
112 - 2nd Ave. East
Hafford SK S0J 1A0
Tel.: 306-549-2258
kingsmill.peter@ctc-cct.ca

■ Printer

St. Joseph Printing
1165 Kenaston Street,
Ottawa ON K1G 6S1

■ Circulation

Tel.: 613-954-3884 Fax: 613-946-2843
tourism@ctc-cct.ca

■ Design

Séguin Labelle Communication
733 St-Joseph Blvd., Suite 400
Gatineau Qc J8Y 4B6
Tel.: 1 877 505-2110 www.seguinlabelle.com

■ Media/Advertising

APR Ltd.
Tel.: 416-363-1388 Fax: 416-363-2889
Atlantic Canada/Ontario
Lindsey Wright - lwright@aprcanada.com
Québec
Erika Veh - evah@aprcanada.com
Western Canada/North
Rosalind Genge - rgenge@aprcanada.com

■ Contributors

Mike Berezowski, Frank Bourree, Heather Breen,
Marc-André Charlebois, Suzanne Darveau,
Guy Desaulniers, Isabelle Des Chênes, Denisa Georgescu, Andréa Marie Lemelin, Scott Meis,
Jens Rosenthal, Mark Sajatovitch, Sylvie Thérberge,
Rob Thorburn, Randy Williams, Martin Wings.

■ Subscribe to *TOURISM*:

TOURISM - Canada's Tourism Monthly is delivered to your mailbox as a service of the CTC at no cost to you!

Send your name, address, organization, tel/fax, language preference and e-mail address to:
tourism@ctc-cct.ca
Fax: 613-946-2843

■ Canadian publications mail product sales agreement number 40659111

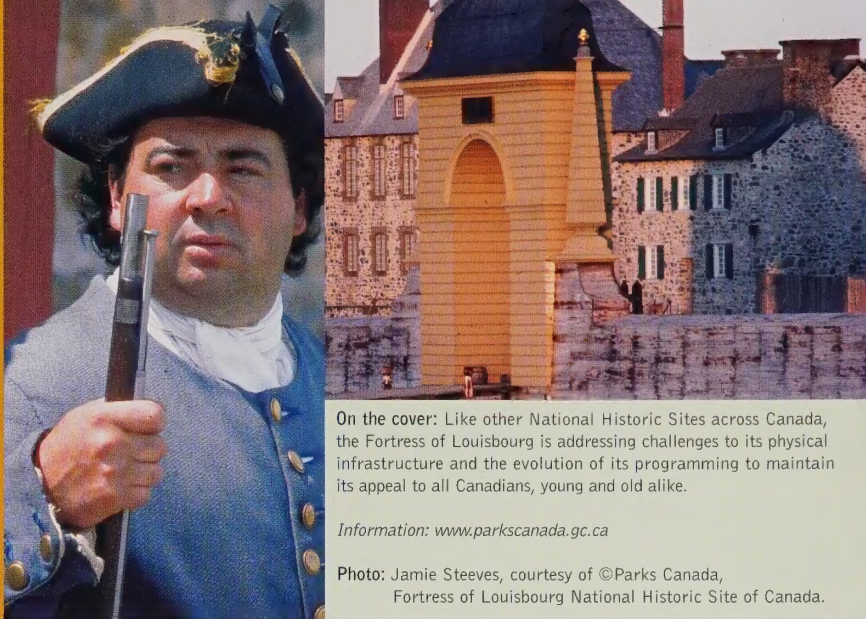
The views and opinions expressed in *TOURISM* are those of the authors and not necessarily those of *TOURISM* or the Canadian Tourism Commission.

■ Votre copie française de *TOURISME* est disponible en composant le : 613-954-3884

CANADIAN
TOURISM
COMMISSION



COMMISSION
CANADIENNE
DU TOURISME



On the cover: Like other National Historic Sites across Canada, the Fortress of Louisbourg is addressing challenges to its physical infrastructure and the evolution of its programming to maintain its appeal to all Canadians, young and old alike.

Information: www.parkscanada.gc.ca

Photo: Jamie Steeves, courtesy of ©Parks Canada,
Fortress of Louisbourg National Historic Site of Canada.

Photo: Horst Paufler, courtesy of ©Parks Canada.

In this issue

4 News & Opinion

- Editorial
- News in brief
- Letters to the Editor
- Unintended consequences
- Re-thinking corporate sponsorships

6 Industry

- BC's crown corporation model
- Getting a start on financial planning
- Taking it to government
- Assess the health of your business

8 Markets

- Untangle the Web
- German operators rate Canada's attractions
- Sales mission to Japan
- Communities as attractions
- Moving museums to market
- Canada program reviewed, confirmed

10 Product development

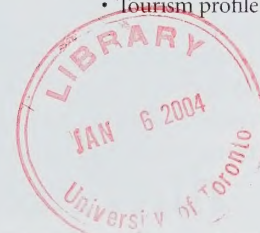
- Developing clusters of tourism momentum
- Attraction power! Becoming market savvy
- Attractions on the supply side
- Special places: assessing the impact

12 Research

- Tourism's contribution to government coffers
- Festivals and events as attractions
- Second quarter spending declines
- U.S. alpine skiers

14 Tourism Roundup

- People
- Tourism profile





Editorial

Attractions: re-vamp or re-position? by Peter Kingsmill

Attractions. The very word itself defines their significance to Canada's tourism industry. They are, after all, what attracts tourists to travel to and within our country.

As we researched and prepared the material for this issue of *TOURISM*, it quickly became evident that Canada's attractions include a full range of geographic features, regions and cities as well as the likes of museums, events, and even small experience-based tourism businesses. Individually – and more significantly together – they are the force that triggers the imagination, turning marketplace statistics into revenue producers for our country.

We asked the question “do we need to revamp our attractions?” and discovered the answer was not a simple one. We learned that certainly, on a case-by-case basis, there might be excellent justification for upgrading existing infrastructure, programming, or even creating new infrastructure. We learned that a case must be made for appropriate funding for key attractions. Overwhelmingly, though, the industry told us that we need to re-position our attractions and re-think our marketing approach.

Strikingly, it appears that Canada's tourism industry is being very, well, *Canadian*. We seem to be rallying together in response to crisis, intent on celebrating what we already have and working together to put our best foot

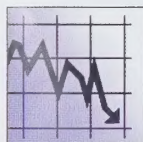
forward. Not one destination or business we talked to suggested that they alone are the keepers of the “crown jewels”, so to speak; all respondents were emphatic that we need to work together to increase the “attractive” impact at regional, national, and international levels.

What is also striking is the general sense that, if we are less than effective selling our product to our own people, we will have even greater difficulty selling it in more distant markets. The corollary to this, of course, is that the enthusiasm of Canadians for the things that make Canada great, makes us potentially our own greatest sales force. It is all about our sense of place – our *pride* of place – and the importance of developing and sharing (marketing) the very finest we have to offer.

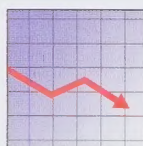
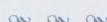
Each and every attraction in Canada is the product of an individual or collective vision. The energy that established these attractions may have been entrepreneurial enthusiasm, or community pride, or pure politics; it matters not. We will continue to develop and re-develop them as the market – and our visions – dictate.

And, we will find ways to market them more successfully to ourselves – and to the world! 🍁

Peter Kingsmill, Editor-in-chief



Travel to Canada from the United States and overseas countries declined for the seventh time in eight months in August. And while travel to Canada continued to fall, Canadian travel abroad increased for the third time in four months. www.canadatourism.com



Travel in Canada by Canadian residents dropped 6.9 percent in the first quarter of 2003 compared with the same quarter of the previous year. These trips represent 83 percent of all travel in Canada during this period. Spending on domestic travel remained virtually unchanged. www.canadatourism.com



In early November, the World Tourism Organization (WTO) is expected to become the first new specialized agency of the United Nations to be accepted by the General Assembly since 1985. Said WTO Secretary-General Francesco Frangiali, “the transformation will give increased visibility to the WTO and greater recognition for the work it does, putting tourism on an equal footing as the other great activities of humanity.” www.world-tourism.org



Nunavut Territory Premier Paul Okalik dedicated part of his official visit to France in October to tourism, visiting the newly-opened *Maison du Nunavut* where potential visitors to Canada's north can learn about tour opportunities as well as purchase products hand-crafted by Nunavut artisans.

Letters to the Editor

You asked for it: I am disappointed reading the message from the publisher in your September issue.

In the past it was a pleasure tucking *TOURISM, Canadian Travel Press, B.C. Business* and a good book under my arm when traveling, enjoying a break from business or finding a quiet spot in the

sun. The computer is already taking too much of my time in answering e-mail, writing letters, quotations and presentations – I do not enjoy reading long articles on the screen.

Your going online exclusively will make me miss a lot of the fine articles I enjoyed in your

publication. I have been remiss in not voicing my opinion about your magazine earlier, but here it is: I like it. 🍁

Wolfgang Schmidt
Bridgesville, B.C.

We encourage our readers to submit letters on any topic or issue covered in *TOURISM* magazine. Please include your full name, address, and telephone number. The editorial board reserves the right to select and edit letters for publication.



At Issue

by Randy Williams

Unintended consequences

The *Formula 1 Canadian Grand Prix*, hosted by Montréal since 1978 and one of the city's biggest tourism draws, is the latest casualty of a federal law that restricts sponsorships by tobacco companies. F1 management officially cancelled the 2004 event in August, citing *Tobacco Act* restrictions that kick into high gear on October 1, with a complete ban on tobacco-related advertising. The Act, passed in 1997, originally provided for a one-year transitional period allowing for the limited on-site promotion of tobacco brand information that was extended in 1998 for a further five years.

The Montréal Grand Prix thus appears set to join the *du Maurier Classic LPGA* golf tournament, which met a similar end in 2000, on the dust heap of unintended consequences of a well-meaning and essentially laudable piece of legislation. Other sport, cultural and art events important to Canada's tourism industry that are sponsored by tobacco companies may be in jeopardy as well.

The problem in this case arises from the fact that three of Formula 1's top teams are sponsored by tobacco companies whose logos can clearly be seen on their cars—a type of promotion that will be illegal by the time this issue of *TOURISM* is in print. Up until now, the federal government appears – naively, it turns out – to have simply been crossing its fingers that F1 management would agree to hold a logo-free event.

As one of only two F1 events in North America, the Montréal Grand Prix has traditionally attracted some 300,000 fans a year and generated more weekly revenue than any other event. In 2003, it brought in an estimated \$50 million in tourism revenues from outside Québec. What's more, the Grand Prix has provided the Montréal region with extensive media coverage around the world, thanks to its broadcast in 144 countries to more than 300 million people. Of the 500 media representatives attending this year, 75 percent came from outside Canada. This coverage alone is important in promoting Montréal as a "must-visit" tourism destination and gives an invaluable boost to Tourisme Montréal's promotional efforts.

The event's cancellation comes at the worst possible time for an industry that has been hit hard in recent months by war, SARS, airline sector troubles, a general economic slowdown, a rising loonie, and the ongoing effects of 9/11 – the "perfect storm" that I discussed recently in this column. Tourism businesses in Montréal and across Canada are looking to the federal government for some positive action on this important front, to save jobs and contribute to economic growth.

The Tourism Industry Association of Canada has joined with a coalition of Montréal organizations, and has written to Health Minister Anne McLellan urging the federal government to find a solution that would allow for the continuation of the F1 Grand Prix in Montréal; we also sent a version of the letter to Montréal-area Members of Parliament. One such option would be an extended phased-in approach that has the support of sponsorship funds from Ottawa. Meanwhile, Québec premier Jean Charest and a Montréal Liberal MP reportedly said that the government was studying the idea of a three-day moratorium on the anti-tobacco law that could apply exclusively to the Montréal Grand Prix.

When this legislation was first conceived and later amended, nobody could have predicted the current circumstances of the Canadian tourism industry. Recognition from the government that today's environment is not the time to be implementing such a measure is fair considering today's realities. 🍁

Information: rwilliams@tiac-aitc.ca

Re-thinking corporate sponsorships

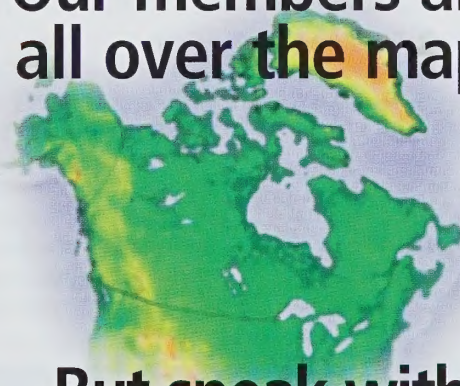
Imperial Tobacco Canada has responded to federal legislation that bans tobacco sponsorships as of October 2003, recognizing that being in compliance with the legislation means re-thinking the corporation's partnerships with the arts.

Artistic programs, whether they are staged in major cities or rural areas, create jobs, bring communities closer together, and inject tourism revenues into local economies. Since 1971, the du Maurier Arts Council has awarded some 60 million dollars to 675 arts organizations. In September, the corporation announced it would continue, and increase, its support of Canadian arts organizations and bodies under two new donation entities: the *Imperial Tobacco Canada Arts Council* and the *Imperial Tobacco Arts Fund*.

Certainly, the federal tobacco legislation is just one element in a changing landscape for funding many of the events and attractions that have become vital components of a healthy tourism economy. Montréal has lost its Grand Prix motorcar racing event because of the new law. Similarly, although having nothing to do with tobacco, Saskatoon lost its Formula One motorboat racing event this past summer because the event's major sponsor undertook a review of its corporate donations policy.

Indeed, in a sometimes fragile and always changing economy, all businesses are faced with examining priorities, sorting purely philanthropic goals from promotional activities, and measuring return on investment for sponsorship initiatives. In this changing landscape, the corporate tourism industry itself may have to step up to the plate to ensure that it continues to receive the benefit of these important events and attractions. 🍁

Our members are all over the map.



But speak with one voice.

The Tourism Industry Association of Canada is the national voice of the tourism sector and the source of information and development for tourism professionals from coast to coast. If you and your business are part of this vital and thriving industry, join us, let your voice be heard, and benefit from our innovative member programs and events.

Visit online for more information at www.tiac-aitc.ca



Tourism Industry Association of Canada
Association de l'Industrie Touristique du Canada



B.C.'s crown corporation model

Prior to the establishment of Tourism BC as a crown corporation in 1997, tourism marketing was conducted within a division of the then Ministry of Small Business, Tourism and Culture. The transition to a crown corporation was overseen by current president and CEO Rod Harris, and now comes under the Ministry of Competition, Science & Enterprise which has a continuing tourism role in the areas of policy, infrastructure and land use issues.

The crown corporation has a mandate to promote the growth and development of the tourism industry, which generated over \$9.3 billion in revenues in the province in 2002. The tourism industry employs approximately one in 14 people in the province. (Over 114,000 people are directly employed in B.C.'s tourism industry, and a total of 266,000 work in tourism-related businesses.) The sector is expected to create almost 50,000 new jobs by 2010, the year B.C. will host the Winter Olympic and Paralympic Games.

Tourism BC has a six-member corporate executive made up of individuals with diverse and extensive expertise in the areas they oversee. A 15-member board with full management, financial and legal authority, governs the corporation. Nominations for the board come from industry and are coordinated by a board-based nomination committee; members serve a two-year term.

Tourism BC employs over 100 staff in Victoria and Vancouver, with marketing offices also located in the U.K., Germany, Australia, Taiwan, and Japan.

The revenue side of Tourism BC's budget is directly tied to the performance of the provincial accommodation sector. Through a legislated funding formula, the corporation receives 1.65 points of the 8 percent B.C. Hotel Room Tax. Tourism BC chair Mike Duggan points out, "This funding base is crucial. When we look at what other jurisdictions are doing, and know that we have this guaranteed funding, it helps because we aren't wondering from year to year what resources we have to carry out our marketing programs."

The provincial government developed *British Columbia's Tourism Strategy*, identifying four priorities for competitive spending: Competitive Business Climate, Industry/Product Development, Human Resources Development, and Marketing. Tourism BC invested \$24.2 million on marketing in 2002. Under a three-year service plan, Tourism BC will invest \$106 million in tourism marketing programs over the next 3 years. Tourism BC conducts research on various aspects of the tourism industry, providing industry partners with information to enhance the effectiveness of future marketing and development projects.



Photo: courtesy of Tourism British Columbia.
Super, Natural British Columbia.

Tourism BC works with a network of tourism organizations to promote the province on the international stage as a preferred vacation destination. The province is arranged into six Regional Destination Marketing Organizations (RDMOs), with each RDMO operating its own marketing and membership programs, in addition to receiving a fee-for-service from Tourism BC to administer its co-operative marketing and advertising projects. In addition, there are several independent city DMOs who participate in many of the provincial and regional marketing programs.

Tourism BC interacts with a diverse set of industry associations, each with its own membership base and each representing an important facet of the tourism sector, from cuisine to accommodation to outdoor adventure. The Council of Tourism Associations (COTA) is one of these. The organization, with a comprehensive membership base including DMOs, deals with issues and policy. "We are committed to advising the provincial and federal governments on tourism policy development," says William Harding, research and development officer at COTA. 🍁

Information: www.tourism.bc.ca

Getting a start on financial planning

Tourism entrepreneurs owe it to themselves to stay competitive and improve their profitability by optimizing their financial planning capabilities. A set of tools, designed for tourism operators with little or no experience in the area of finance, was launched as part of the Tourism Industry Association of Canada (TIAC) 2003 National Conference on Tourism held in Montréal. The new customized tourism operators' financial planning spreadsheet, along with *The ABCs of Financial Performance Measures*

and *Benchmarks for Canada's Tourism Sector*, a series of six reference documents designed for tourism entrepreneurs to better grasp the intricacies of financial planning, were developed by the Canadian Tourism Commission and will be distributed and marketed by Colliers International Hotels, the RBC Financial Group, the Business Development Bank of Canada (BDC), Export Development Canada (EDC) and TIAC.

The first guide in this series, *Financial Planning: Key to*

Maximizing Your Bottom Line, covers the fundamental principles of accounting. It details why tourism operators should analyze their financial statements and explains the importance of financial planning.

Business jargon in itself can be intimidating to the point of becoming an obstacle to success for the layperson. From the difference between bookkeeping and accounting, to the importance of financial statements in decision-making and business planning, the guide provides a lexicon of

"technical" terms and lays the foundation of sound management. It sets the goals of financial management and walks the reader through the use of financial statements to plan effectively. Moreover, the manual details the value of analyzing financial statements and provides guidance on which financial performance measures to focus on. Operators will also learn how to use financial benchmarks to maximize profit. 🍁

Information:
www.canadatourism.com



Storefront

Taking it to government by Marc-André Charlebois

One of the key responsibilities of our trade association is to advocate the position of the retail travel sector to various levels of government. The Association of Canadian Travel Agencies (ACTA) makes regular appearances in front of various Standing Committees of Parliament and I thought it might be interesting to share some key points we recently made to the Finance Committee as part of its pre-budget consultations.

With difficult times in the travel and tourism sectors in recent years, ACTA believes that the existing regulatory and fiscal framework surrounding the industry needs to be adjusted to keep pace. We therefore proposed a six-point plan to the government:

Reduce or eliminate undue fees, taxes and other burdens on the travel industry. Taxes and surcharges can almost double the cost of an air ticket. At the same time, excessive rents paid to the federal government by airports, along with the excise tax on fuel, are placing an unsustainable burden on Canada's air sector. Concessions from the federal government, while welcome, have been extremely limited.

Examine airline ownership rules.

The current federal government regulatory environment limits foreign ownership to 25 percent of an air carrier's equity, making it difficult for them to merge, find new capital and achieve economies of scale. Our preliminary assessment points towards an increase of foreign ownership from 25 percent to 49 percent and therefore recommends that government revisits this issue.

Transparency in airfare advertising.

Another long standing area of concern for both ACTA and consumers is misleading advertising practices on the part of air carriers. With the plethora of taxes and surcharges hidden in small text and with one-way fares advertised that in fact are not available, the true cost of an air ticket is hidden from

consumers. Last fall it appeared that Canadian airlines had agreed to a voluntary code of advertising practice which would have ended these practices, but nothing has happened since then. Although the proposed Bill C-26 would regulate this issue, its future is unknown at this point. We believe advertised airfares should include all known taxes, surcharges, and fees and that a clear, unambiguous disclosure of fare restrictions and terms of carriage are found on an air ticket.

A National Passenger Protection Plan.

Only three provinces - BC, Ontario and Quebec - have a travel act that regulates relations between consumers, travel retailers and tour operators, and provides some form of traveller protection against supplier failure. We therefore asked the Standing Committee to recommend funding for a federally-led task force to develop a strategy and implementation plan for a *National Passenger Protection Plan* that would shield consumers from airline failure.

Implement HR programs tailored to the needs of the retail travel industry.

The rapidly changing business model of Canadian travel agencies, and reduced sales due to major external crises, has had a dramatic impact on the number of professionals needed and required skill sets. We asked for adequate funding in areas relevant to the travel and tourism industry to reflect our industry's changing skill requirements.

Provide support for an essential infrastructure component for travel product distribution.

Travel within Canada is increasingly popular but tour operators have limited marketing budgets and access to this market. ACTA is working to bring about the creation of a business-to-business, wholesale e-marketplace for Canadian travel agents, tour operators and suppliers. Now entering the development stage, a firm financial commitment is required of the federal government. 🍁

Assess the health of your business

by Frank Bourree, CMC

Labour day has come and gone and so have the hopes for a quick recovery of the Canadian tourism industry in the wake of what some have called the perfect storm. Linger security fears, SARS, West Nile virus, Mad Cow disease, possible failure of our national airline, higher exchange rates, raging forest fires and power black-outs - the challenges have been almost insurmountable even to the most savvy tourism operator.

It's time to assess the health of your organization. Are you hoping for the best yet fearing the worst? Has lasting damage been done to the tourism trade in this country and your operation in particular? Even if you feel confident about your business right now, take some time to assess the health of your organization so you're in a better position to leverage future opportunities.

Tourism operators across the country are now identifying some immediate challenges that threaten long-term prosperity. An article released by the *International Society*

of Hospitality Consultants (ISHC) lists the challenges and issues likely to have the greatest impact on the global hospitality and tourism business in 2003. Challenges faced by tourism industries around the world are similar to those faced by our Canadian counterparts, and as part of the global community, we all struggle with similar issues and concerns.

Proper assessment and planning will allow operators and ride out rough business storms and emerge in better shape. To get started, ask yourself if you can answer a resounding "yes" to the following statements:

- Do you receive proper financial information on a timely basis?
- Do you have the proper people in the proper places?
- Have you gained control over costs, budget and cash flow?
- Have you constantly revised your strategic plans (yes, plural) depending on the risks and opportunities?

If you were unable to answer "yes" to any of the above questions,

continue your assessment; you might be able to improve the fitness level of your operation. Business advisers suggest there are four major components to help move a potentially troubled business to safety:

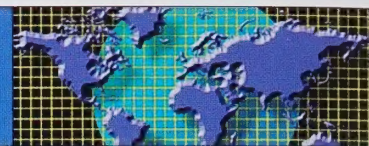
- Recognizing and stabilizing a bad situation - reduction of cash losses and increasing cash flow
- Analyzing your strategic plan - refocus objectives and channel activities to produce fast measurable return
- Refinancing to sustain cash flow and support pursuit of measurable returns
- Strengthening the business through organizational restructuring.

After reflecting on these eight steps, there's another one I'd like to encourage you to take: find yourself a business mentor. Often you may be too close to the business to see the best way through. Also, it's sometimes hard to remain focused on business growth and opportunities for redevelopment while you are in the thick of dealing with the day-to-day

running of the business. That's where finding the support of a mentor or business adviser may help you. Having a good sounding board to work through your ideas, challenge your thinking and stimulate your own problem solving can be invigorating. It helps if your mentor understands your business and the environment you operate in so he or she is able to contribute ideas and best-practice examples you can work with.

Shaping the future of your business requires taking the long-term view as well as being able to focus on today's details. Canada is a destination to be proud of; if you make the right moves now, you can put your organization into a position where you can re-build and position yourself for the future. 🍁

Frank Bourree is a partner with Grant Thornton LLP and a full-time consultant to the tourism industry. He sits on the board of directors of Tourism B.C.
fbourree@GrantThornton.ca



Untangle the Web

by WorldWeb Travel Guide

I'm interested in buying Internet advertising. What are my choices?

There are three primary venues for Internet advertising: search engines, directories and portals.

Search engines, like Google, can offer effective advertising opportunities. Their ad service is based on a cost-per-click pricing model, which you control by setting a daily budget. Your highlighted ad will appear next to editorial listings each time someone enters the search term(s) you have purchased. The price varies with the popularity of a given search term. For example, "toronto hotels" may cost several dollars per click, while "jasper rafting" may be significantly less.

Directories are also a good source of Website traffic. Yahoo! charges a yearly fee for consideration in its directory (called pay-for-inclusion). If your listing is accepted, it is incorporated into their search results. For an additional monthly fee, you can also get enhanced listing placement.

Because portals concentrate on specific industries – rather than the entire Internet – they are able to offer detailed information about a given subject or destination. Editorial content typically goes far beyond business listings. As a result, portals drive highly targeted traffic to your site, boosting your chances of turning "lookers" into "bookers". Examples of Canadian tourism portals include your local CVB and Websites such as WorldWeb.com and CanadaTravel.ca. 🍁

WorldWeb Travel Guide is a travel-planning Web site offering online advertising, and Web site hosting & design services. info@worldweb.com



German operators rate Canada's attractions

A recent informal survey among German tour operators has revealed that Canada's attractions rate very well. It comes as no surprise that the German travel industry very much appreciates the National Parks (9.5 on a scale from 1 to 10), followed by natural wonders such as Niagara Falls (9.5) and international sports events and ski resorts (9.3 each). Cities also did well, rated at 9.0.

On the downside, overall awareness for Canada as a perfect destination for wellness and spa is rather low (6.8). This was also the only item where Canada was rated worse than its major competitors.

The survey emphasizes Canada's strength in terms of nature and National Parks in particular, and points to

gaps in specific product. Says Tilo Krause-Dünow, CTC Germany's committee chairman and owner of CANUSA Touristik, "Attractions are the number one issue for potential consumers in Germany. Canadian nature, in general, attracts travellers. But the names of the several national or provincial parks, city highlights, high-profile highways like the Trans Canada and the Dempster highway have the potential to be first class attractions," he says, "but are almost unused in marketing Canada. This is what makes it easier to sell Canada as a destination." 🍁

Information: rosenthal.jens@ctc-cct.ca

Sales mission to Japan

A delegation from the Canadian Tourism Commission (CTC) was in Japan for a four-day tourism industry mission September 23 to 26 in an effort to recover and build Canada's market share in that country. CTC in-market staff, led by Derek Hood, provided overviews of the marketing activities of the CTC and the provinces at an opening meeting, and throughout the four days hosted meetings between Canada's tourism industry and key travel influencers in Japan, including receptive operators and FIT

agents, the Japan Association of Travel Agents (JATA), JTB the Japan offices of Air Canada and Northwest Airlines.

CTC Chair Charles Lapointe met with Japan's Hayao Hora, Vice Minister for International Affairs, Ministry of Land, Infrastructure and Transport. The sales mission concluded with an in-market version of the Annual Terry Fox Run/Walk around the Imperial Palace, sponsored by the Canadian Embassy in Japan. 🍁

Communities as attractions

Looking for a \$20 million annual contribution to your local economy? A pretty appealing dollar figure even for a city the size of Montréal, but if you are the community of Saint-Tite, that amounts to \$5000 for every man, woman, and child who lives there. There, the local people understand the value of becoming, in effect, their very own tourism attraction.

Located north of Trois-Rivières (between Montréal and Québec city), Saint-Tite is home to leather manufacturing specialists G.A. Boulet Inc., who decided in 1962 to focus production on western boots. As part of the company's

marketing strategy, it organized a rodeo day, a popular event which grew into what is now the "Festival western de Saint-Tite."

Over the years, local businesses have added support to the festival by giving a western look to their buildings and storefronts. Now, every year, the local residents open their doors to over 400,000 visitors for a ten-day western extravaganza. 🍁

Information: www.festivalwestern.com

Moving museums to market

Two Toronto museums have joined forces to promote their fall and winter exhibitions to tourism markets in the U.S. border states, along with domestic markets in Quebec, Ottawa and southwest Ontario. The Art Gallery of Ontario and the Royal Ontario Museum are working together for the first time on a joint marketing campaign, utilizing a \$675,000 contribution from the Cultural Tourism Marketing Fund of the Ontario Ministry of Culture.

It is expected that promoting exhibitions at both facilities in an integrated communications campaign will create a strong presence for Toronto as a cultural destination in the city's key markets, as well as giving a boost to the out-of-town marketing efforts of each museum. 🍁

Information: www.ago.net or www.rom.on.ca

Domestic program reviewed, confirmed

In June 2003, the Canadian Tourism Commission (CTC) board of directors initiated a review of the Canada Marketing Program. The rationale for the review was the premise that CTC marketing dollars might be better invested in international markets. It had been argued these are where the Canada brand needs more support, and since a large part of the tourism industry already markets heavily in the domestic market, additional dollars from the CTC are not essential.

A thorough review of the Canada program found strong justification for continued investment in the Canadian domestic market. Domestic spending accounted for almost \$34 billion, or two-thirds of all travel-related revenue in Canada. In the first quarter of 2003 Canadians accounted for 67 percent of total tourism spending in Canada, the largest share in five years. The return on investment from one domestic campaign alone (2002) was \$288 million, which indicates that investment

in Canada marketing campaigns is a high-yield venture.

Perhaps one of the most significant reasons to retain the program is that it works to offset the international travel deficit through import substitution and outbound conversion. Capturing foregone revenues associated with Canadians travelling abroad is a net gain for the industry.

Also, experience demonstrates the domestic market yields a more stable source of revenue in times of crisis than international markets. The Canada Program is the only national program selling the Canada brand to Canadians, promoting awareness of Canadian travel destinations and experiences in every national market. "This is very important," says program chair Pierre Labrie, "at a time when all our competitors have increased their visibility in Canada, while our visibility has decreased."

In its September meeting, the CTC board reconfirmed the existence of

the Canada Program for 2004 and beyond, with a mandate to focus on import substitution. "The review has been a very useful process to focus our thinking," says Labrie,

"We as an organization must measure everything we do, so this will be a positive force until... someone loses the corporate memory of the exercise. Of course, it is a never-ending story; in three or five years there will be new board members, some new staff, and perhaps new provincial deputy ministers, and the same questions that triggered the review may be asked again; at that time we should be ready to provide a strong update on the work done since 2003!"

Labrie concludes, "at this time, it was a great opportunity to showcase the market; hopefully the information we have gathered, and the process we went through, can be used successfully in the future." 🍁



Top Canadian events

The American Bus Association (ABA) has listed its Canadian top events for 2004.

International-level events listed are the *Stratford Festival Theatre* in Stratford, Ontario (April 17 to November 7) and the *Winter Festival of Lights* at Niagara Falls (Nov 22, 2003 to January 20, 2004). The ABA top event of the year is the *Congrès mondial acadien* in Nova Scotia (July 31 to August 15). For complete top events listing and contact information:

www.canadatourism.com. 🍁

Canada Marketing Program

The 2004 Domestic Co-op Partnership Opportunities are now available!

Discover our true nature

You can now download the document in PDF Format at www.canadatourism.com/canada under 2004 Partnership Opportunities

To sign up or for further details please contact APR:
Gary Forshaw or Susan Taylor-Sheppard

Phone (416) 363-1388 Fax (416) 363-2889
Email: ctcpartnersales@aprcanada.com



www.canadatourism.com/canada

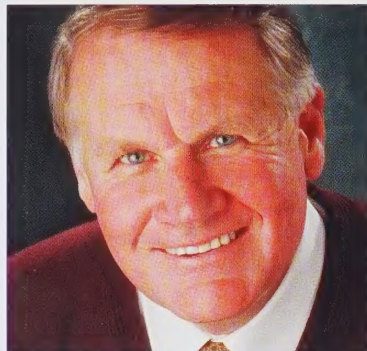


Developing clusters of tourism momentum

In conversation with Rob Thorburn

Rob Thorburn is President of Attractions Ontario, and along with his wife and children is the owner/operator of Scenic Caves Nature Adventures in the Town of the Blue Mountains. Thorburn says we have to get our clusters of tourism momentum into the marketplace if we are to benefit from this huge industry.

He spoke to us from his home in early October:



Rob Thorburn

TOURISM:

Mr. Thorburn, just how important are attractions to Canada's tourism industry?

Thorburn:

They are the drivers. If you don't have them, no one is going to come to visit your province or your country. Governments don't seem to realize that attractions are the most important part of the tourism product. If you don't represent your attractions effectively, people aren't going to come and stay in your motels and hotels or eat in your restaurants, buy gas at the convenience store – whatever. And it's not just tour boat rides and scenic cave adventures; places are attractions and some – like Banff National Park, or Thousand Islands or Georgian Bay – are national icons.

TOURISM:

How do we go about keeping Canadians from travelling abroad to see attractions that other countries have to offer, when it's right here at home?

Thorburn:

Well, it's just marketing, isn't it? It's all about allowing people to understand what's great, all around them. That's part of the marketing thrust; for example, the CTC represents the country, and part of its responsibility should be to point out to Canadians that we have fabulous things to do in Canada, so people can travel across the country to see our icons. And they need to be told that, while they are taking in our country's icons, there are many more interesting things to do and see in the area.

TOURISM:

This is a huge country. How do we market it best?

Thorburn:

We need to be more specific with the great stuff we have. Telling people that Canada is a safe place isn't going to get them here, or get them travelling – they know that already. You have to attract people with something exciting, or exceptionally beautiful. In turn, at the provincial level, it's up to each province to represent its icons to its own people, and to other Canadians as well. It needs to be a top-down approach – the CTC branding Canada's top icons nationally and internationally, and the provinces should brand their best icons to Canadians as well as their own residents.

TOURISM:

Do attractions typically have the marketing budgets to take a leadership role in marketing Canada?

Thorburn:

Sure they do, at a local, or possibly regional, level. At a provincial level, they have the ability to participate in marketing programs. In turn, they can participate with regions and provinces jointly with the CTC to take national icons to market. Attractions have the ability, if they are taught, to market effectively into the province and into the Canadian environment. But they have to do it as a group; if, for example, I team up with my partners around Georgian Bay, I can appeal to New Zealanders, or the French or the Irish.

TOURISM:

Based on what you have said so far, it seems you don't really see the need for upgrading. What do you say to people who think we don't have enough, or it's not good enough?

Thorburn:

If we spend our money on dressing up our product and nobody comes, have we spent our money effectively? No. We have to develop clusters of tourism momentum to participate at provincial, national, and international levels.

TOURISM:

Thank you, Mr. Thorburn. 🍁

Information: www.attractions.on.ca

Attraction power! Becoming market savvy

A collection of 20 attractions in the four Atlantic provinces has come together to create a strong presence in the marketplace, styling themselves as the "signature attractions" of Atlantic Canada. The consortium is membership-driven, criteria based, and reflects a new focus on marketing Canada's attractions.

Across the country in Rock Creek, B.C., Wolfgang Schmidt operates a small, family-oriented guest ranch. "Do we need to upgrade our attractions?" he asks. "No, what we need is recognition by the groups who do the marketing for Canada." He continues: "The tourism experience in Canada would not be the same

if it were not for small attractions, unique shops, soft adventure operations and small accommodation properties."

There appears to be a groundswell of activity amongst Canada's attractions, large and small, to elbow their way to prominence in the nation's smorgasbord of tourism products and services. It is being accomplished through cooperative marketing efforts, as well as keeping attractions up-to-date with marketplace demand.

Kevan Ridgway of Vancouver Coast and Mountains says the most successful attractions are those that develop fresh programming or product for

presentation into the marketplace, on a regular (often annual) basis. Ridgway identifies the need to provide something new for repeat visitors and to maintain a strong presence in tour operators' catalogues.

Canada's attractions run the gamut from business-driven facilities (large and small) to government, non-profit, and even landscape-driven destinations that often have a hard time receiving sufficient funding to hold their own. And holding their own can be an even bigger problem for parks and natural attractions where tourism success can exact an often-subtle price because of over-use.

Funding for these attractions is a challenge, as traditional sponsorship sources change, dry up, or are in some cases (like tobacco company sponsorships for arts and sports events) legislated out of existence. More and more attractions are beginning to take seriously the tourism industry approach to marketing, creating partnerships with other sectors to tap into new revenue sources and visitor markets. And, the attractions sector is becoming more knowledgeable and more aggressive in presenting a business case that they are, in the words of Rob Thorburn in our feature interview, "the drivers of the tourism industry". 🍁

Attractions on the supply side

Do we really have attractions in Canada and Quebec that are prestigious and original enough to whet the imagination of potential travellers? How many Disney Worlds or Eiffel Towers are there in Canada? How can we make sure that hotels are filled? Must we rely only on shopping and scenery?

Things get complicated when we consider Canada's small population base, our dependency on international tourists, and a climate that restricts some infrastructure and considerably shortens the high season. Since attractions are part of a range of products and activities which pique tourists' curiosity about our destination, it seems logical to invest in their creation and development and put special effort into attractions that have international potential.

A major obstacle is funding. Financial institutions are wary, and consider investment in attractions to be risky, partly because of disproportionate media coverage given to failures as well as lack of data on spin-offs and the impact of these attractions on the economy.

In spite of the problems, the tourism industry in Quebec is setting out to meet the challenges. There is a need to develop more major attractions with international impact (such as Tremblant in the Laurentians) and more attractions that are outstanding because of their uniqueness (such as the Ice Hotel in the Québec City region), always bearing in mind that development of the tourism supply must be based on quality. Often, too, developing and marketing tourism product requires co-operative action at the local, regional and national levels.

Since 1992, the Société des Attractions Touristiques du Québec (SATQ) has represented almost 200 attractions throughout the Province of Quebec and offers them a range of services to support them in their development. In the summer of 2003, no fewer than 45 tourist attractions from 16 regions of Quebec participated in an advertising campaign to position their sector. The \$400,000 media campaign was supported almost entirely by the attractions themselves and the SATQ. It was the first time tourist attractions joined forced in a campaign of this nature



Photo: Path in Autumn by Julie D'Amour-Léger. Courtesy: Montréal Bidéme.

and the SATQ is proud to have been involved in this important initiative.

An important component of this SATQ project was agreement by the attractions to conduct an economic impact study to gain greater credibility and more appropriate recognition. Results will provide a tool to help obtain funding.

The study will include a history and description of Quebec's main attractions, a financial profile, a report on economic impacts, a report on financial needs and recommendations for obtaining better financial support. The results of the study, available in January 2004, will

allow for more effective representation of the attractions sector to governments and other potential partners and a better understanding of a sector that has been little studied. Over 50 percent of the \$200,000 study has been funded by the attractions and the SATQ.

Tourist attractions in Quebec and Canada will be faced with major challenges in the future and the SATQ believes that the attractions community must pool its energies to rise and become more successful. ★

Information:
www.festivals.qc.ca/satq2.html

Trans Canada Trail

Newfoundland and Labrador

Population (Newfoundland and Labrador):	512,930
Area (Island of Newfoundland):	111,390 km ²
Trans Canada Trail	883 km



The almost landlocked harbour of St. John's. Through the Narrows, its sheltering entrance, ships have arrived since the 1500s.

Special places: assessing the impact

The Canadian Tourism Commission, in collaboration with the Department of Canadian Heritage and the support of the Canadian Parks Council, has introduced a new Economic Impact Model (EIM) for parks and protected areas. This EIM enables economists and non-economists alike to measure the impacts on provincial economies from the establishment, development and operation of protected areas such as national and provincial parks and heritage rivers. The state-of-the-art program uses the most recent economic information available from Statistics Canada to produce a number of impact statements that can be used to understand the economic implications of policies, plans and proposals related to parks and protected areas. An EIM for arts and heritage will also be available at a later date. ★

Information:
www.canadatourism.com/eim

The Travel Industry Association of America (TIA) has identified "strong feelings" among U.S. travellers about preserving the natural environment, history and culture of places they visit. Reminiscent of early reports on Ecotourism, this report (Gentrification: The New Trend in Travel) showed that more than three-quarters of American travellers feel it is important their visits not damage the environment, and 38 percent of travellers say they would pay more to see a travel company that strives to protect and preserve the environment. ★

Information: www.tia.org



The Research Viewpoint

Tourism's contribution to government coffers by Scott Meis

It is not a ticking time-bomb, but it is newsworthy nonetheless: a few weeks ago Canadian Tourism Commission (CTC) research released a report on how much money the government was taking from the tourism sector, entitled *Government revenue attributable to tourism (GRAT)*. Not only does this report confirm what we had already published on the question, it also raises questions for the future.

The story began back in 1996, in the early years of the CTC, when the research division was setting up many of the programs and initiatives to establish its role as the main source of research for the Canadian tourism sector. One of the first reports commissioned was on government revenue attributable to tourism. In that report, we measured the federal, provincial and municipal governments' "take" as being 22.9 cents for every dollar spent in the sector. When we factored in the yield from sources not measured, we then estimated that governments took a total of approximately 30 cents per dollar.

Now, with the new report, we find our estimates were pretty much bang on. The figures speak for themselves. Tourism generated:

- \$13.8 billion in revenue for all three levels of government
- 30.1 cents in taxes for every tourism dollar spent
- 14.8 cents for the federal government, 13.6 cents for the provincial / territorial governments, and 1.8 cents for municipal governments for every tourism dollar spent
- 4.0 percent of overall government revenue

This new report is exciting for us in research because of the way it was done, covering a very large sample base. The first report covered 55 percent of

government revenue from all sources, while the new one covers 86 percent, and confirms the estimates we made on government revenues. The numbers are now difficult to argue with.

This report will contribute to many aspects of tourism development. Marketers and tourism business managers now know exactly how much of tourism revenue generated will go to government, while governments will have a basis to work with when evaluating their return on investment in the sector. An added "plus" is that industry can better evaluate the impact of marketing campaigns.

Another point worth noting: the tourism sector provides 4 percent of overall government revenue, but only represents 2.3 percent of overall Gross Domestic Product (GDP). This raises legitimate questions for the future on whether the tourism sector is being taxed fairly compared to other sectors of the economy.

This report, like all reports, is not perfect. We would like to improve the timeliness of reports like these (this new report measures the taxation year 1998, while the 1996 report covered the year 1992). Ideally, we would like this report to be published annually (to maintain a running record) and also to improve the regional angle, providing hard numbers for specific provinces if our provincial partners are interested.

It is a significant report, showing clearly that investments in the tourism sector pay off well for governments. 🍁

Government revenue attributable to tourism, 1998, as well as other research reports are available at www.canadatourism.com.

Festivals and events as attractions

by Martin Winges

Each year, Ottawa-Gatineau hosts upwards of 40 festivals ranging from small ethnic community festivals to the international draws of Winterlude and the Canadian Tulip Festival. It has been estimated that well over 2 million people attend the area's many festivals, with more than 500,000 of those visitors coming from out-of-town. According to Statistics Canada, visitors to Ottawa have among the highest, if not the highest, propensity to attend a festival during their trip, compared to other major cities in Canada.

Realizing these facts, Ottawa Tourism initiated a comprehensive study of 21 of the area's festivals to assess their attendance and economic impact in a standardized and consistent format. The *2003 Festival Visitor Impact Study* was made possible through partnership funding support from the City of Ottawa, the

Canadian Tourism Commission (CTC), the Ontario Ministry of Tourism and Recreation (OMTR), the Ottawa Festival Network, and the National Capital Commission.

Over 13,000 interviews with festival visitors have been conducted on-site at festivals between May and August. Another 4,000 telephone interviews have been conducted with local residents. The results for the first three months have been compiled and over 307,000 visitors from out-of-town have enjoyed at least one of the area's festivals, such as the Canadian Tulip Festival, Canada Day or the Cisco Systems Bluesfest, generating over \$62 million in economic activity in the City of Ottawa. In total, 1.2 million people have been to at least one of the 16 festivals studied so far. The economic activity from the various festivals have ranged from \$49,000 to \$40.7 million.

Aside from the amount spent, the proportion and volume of tourists at a festival, and the degree to which a festival influenced them to visit Ottawa were the primary determinants of a festival's economic impact. Even though many of the small community festivals do not draw significant numbers of tourists, they do nevertheless add value to the city's image. Over half of the local residents surveyed stated that the particular festival, which they were attending very much, enhanced their image or perception of Ottawa.

As a legacy of the project, a field manual will be prepared to help organizers across the country conduct their own festival studies in a consistent manner. The OMTR has been conducting similar studies throughout Ontario in conjunction with this study to provide an Ontario-wide perspective. With

a significant database of events being built up, it is hoped that a tool can be developed for the festival and events industry similar to the *Sport Tourism Economic Assessment Model (STEAM)* developed by the Canadian Sports Tourism Alliance. Such a tool would allow festival organizers to conduct pre-event projections of their economic impact based on attendance assumptions.

The reports for the various festivals will be made available through the CTC and the OMTR later this year. The Compendium Report, which will examine all the festivals and look at the sector, as a whole, and the field manual will both be available late this year. 🍁

Information: mwinges@tourottawa.org

A MONTHLY GUIDE TO TRAVEL AND TOURISM DATA

TOURISM ACTIVITY	REFERENCE PERIOD	QUANTITY	% CHANGE FROM PREVIOUS YEAR
TOURISTS TO CANADA			
From the U.S. - Total	January-August 2003	10,272,194	-14.0
By Auto	January-August 2003	6,720,998	-15.7
By Non-auto	January-August 2003	3,551,196	-11.1
From Overseas - Total	January-August 2003	2,270,611	-16.2
United Kingdom	January-August 2003	498,049	-4.8
Japan	January-August 2003	155,824	-41.5
France	January-August 2003	191,577	-11.5
Germany	January-August 2003	180,438	-11.0
Hong Kong	January-August 2003	61,947	-28.7
Australia	January-August 2003	104,314	-1.7
Taiwan	January-August 2003	40,425	-45.6
Mexico	January-August 2003	106,338	-11.9
Korea (South)	January-August 2003	96,669	-12.4
OUTBOUND CANADIAN TOURISTS			
To the U.S. - Total	January-August 2003	8,900,991	-3.5
By Auto	January-August 2003	5,432,891	-3.4
By Non-Auto	January-August 2003	3,558,100	-3.6
To Overseas - Total	January-August 2003	3,593,433	6.5
EMPLOYMENT IN TOURISM			
Total Activities	Second Quarter, 2003	579,600	-1.2
Accommodation	Second Quarter, 2003	133,700	-3.2
Food and Beverage	Second Quarter, 2003	137,600	-3.6
Transportation	Second Quarter, 2003	80,600	2.6
SELECTED ECONOMIC INDICATORS			
Personal Disposable Income per person (\$)	Second Quarter, 2003	22,726	0.5
GDP at market prices (current, \$ billion)	Second Quarter, 2003	1,206.6	-0.4
GDP chained (1997, \$ billion)	Second Quarter, 2003	1,089.8	-0.1
CPI (1992=100)	September 2003	122.7	2.2
EXCHANGE RATES (IN CDN\$)			
American dollar	September 2003	1.3632	-13.5
British pound	September 2003	2.2022	-10.2
Japanese yen	September 2003	0.0119	-8.5
EURO	September 2003	1.5359	-0.6

Note: All tourist estimates deal with trips of one or more nights; all data on this table is not seasonally adjusted.

Sources: Statistics Canada and the Bank of Canada.

Second quarter spending declines

Canadian tourists visiting the country spent more during the second quarter of 2003 than in the same period last year, but this show of strength was not sufficient to offset the sharp drop in international spending. According to the National Tourism Indicators Quarterly Estimates Second Quarter 2003 (unadjusted for seasonality and expressed in actual prices) recently released by Statistics Canada, tourists travelling in Canada injected a total of \$12.1 billion into the economy in the second quarter

of 2003, 7 percent lower than during the second quarter of 2002.

This decline ended three consecutive year-over-year increases in quarterly tourism spending. While domestic spending registered a marginal increase (up 0.9 percent), international spending fell 20 percent, reflecting the global trend since 9/11 showing travellers staying closer to home. 🍁

Information:
www.canadatourism.com



U.S. alpine skiers

The most recent series of TAMS (*Travel Activities and Motivation Survey*) analysis demonstrates the U.S. ski travel market is one of the most lucrative segments and one that should be monitored due to strong competition and future demographic changes.

The U.S. Alpine Ski report focuses on Alpine Ski Tourists - Americans who have taken leisure trips to Canada and engaged in alpine skiing when on recent trips. As such, they have taken leisure trips to Canada and, in many cases, to other destinations in the past couple of years and have included at least one of the following activities on these trips:

- ❖ Alpine skiing
- ❖ Heli-skiing
- ❖ Snow boarding
- ❖ Ski package

Alpine ski tourists may also have engaged in other winter sports activities such as cross country skiing, snowmobiling, ice fishing or ice climbing while on their travels, but these other sports are not used to define the group.

Some key findings from the Ski report:

- In 2000, there were approximately 21.4 million adults who could be classified as Alpine Ski Tourists (11 percent of the adult population). Of these, about one-fifth claimed to have visited Canada on a leisure trip in the past two years. Thus the market for Canada's alpine ski products is in the range of 4.6 million American adults.
- The downhill ski market attracts a large proportion of travellers from the U.S. border states but U.S. Alpine Ski Tourists are more apt to live in Tier III states - those most distant from the U.S./Canada border - than are most other segments of interest to the CTC, making them a particularly attractive market.
- Perhaps because of the nearby world-class skiing opportunities, Washington state residents represent more than 1-in-10 Alpine Ski Tourists to Canada but only 1-in-50 of the total U.S. adult population. Californians are also over-represented among Americans who take leisure trips to Canada and enjoy alpine skiing.
- While skiers are most apt to have visited Ontario in the past couple of years (51 percent), their tendency to go to British Columbia (41 percent) and to Alberta (12 percent) is appreciably greater than is the case for the typical American visitor. Quebec too is somewhat over-represented as a destination within the skier market (29 percent) relative to the typical American visitation pattern. In turn, regions with less developed alpine skiing products such as Ontario, Atlantic Canada and Manitoba/Saskatchewan, are somewhat under-represented as destinations for skiers.
- There is a robust competitive environment for Canada within the Alpine Ski Tourist segment. These travellers display an almost universal tendency to take leisure trips within the United States and are also apt to travel to Mexico or the Caribbean and Europe. These rates of overseas travel are appreciably higher than those evident for American adults in total, and than those of the typical U.S. visitor to Canada.
- Alpine Ski Tourists are more likely to be men (59 percent) than women (41 percent) and are concentrated at the younger end of the adult age spectrum. They are also more affluent than is the "typical" American leisure traveller to Canada.
- Over half of Alpine Ski Tourists with recent Canadian leisure travel experiences are also Soft Outdoor Adventure Enthusiasts and about one-third are Heritage Tourism Enthusiasts or Visual Arts Enthusiasts. These overlaps suggest packaging, product development and marketing opportunities: sub-groups within the alpine ski segment might be attracted by combinations of products that meet their winter outdoor interests as well as their interests in museums, galleries, theatre, and food and wine experiences.
- While the actual rate of growth of this U.S. segment is expected to be positive over the next twenty-five years, it is going to grow at a slower rate than it would have if the population structure were to remain the same. Target ski markets in various regions of the U.S. will have to be examined carefully.

While there is no report on Canada's Alpine Ski Tourists, please see the TAMS Overview report for a comparison in the size and characteristics of the market. 🍁

Information: www.canadatourism.com

Tourism Roundup



Tourism Toronto has joined with Visa for an international getaway promotion, **Break Away to Toronto**, which will run from October 1 to February 28, 2004. The promotion gives VISA cardholders worldwide a chance to take advantage of special rates at designated Toronto hotels when they book using their VISA cards. The promotion includes a passport for Toronto's restaurants, attractions, shops and theatres. www.visadestinations.com/toronto



A University of New Brunswick professor feels that **putting "tea" into tourism** would be just the right thing for the city of Saint John, according to an article in the *Telegraph Journal*. Speaking at the Travel and Tourism Research Association conference in that city, business professor Lee Jolliffe pointed out "a rich tea history" in Saint John and said if a cluster of tea destinations could be developed around Saint John, it could attract "dedicated" and "extreme" tea aficionados to the city.

The **Government of Australia** is in the process of developing a medium to long term strategy for the Australian tourism industry. A discussion paper, *The 10 Year Plan for Tourism*, was released in May 2002, and a Green Paper or draft strategy was released in August 2003. Suggestions include a reform of tourism structures to create a new body, *Australian Tourism*, geared "to better support medium to longer term development and growth of tourism in Australia." www.tourism.gov.au



As of January 2004, **TOURISM** online will be proactively delivered to subscribers via e-mail. If you have not already done so, we encourage you to send your e-mail and contact information to tourism@ctc-cct.ca.



Contrary to what we announced last month, **Donald Obonsawin** assumed the role of President and CEO of Jonview Canada effective November 1, 2003. 🍁

BDC understands industry financing

The Business Development Bank of Canada (BDC) believes that sound financing and management strategies are the passport to success for tourism operators. For more than sixty years, BDC has worked in partnership with the Canadian tourism industry to offer turn-key business solutions to entrepreneurs who capitalize on foreign tourism and offer destination sites such as hotels, ski and golf resorts, and other attractions.

BDC understands the real issues at stake and has pioneered and financed many tourism concepts and ventures over the years. The tourism industry is highly capital intensive, requiring financing for realty and capital investments, as well as working capital. The sector is also vulnerable to economic fluctuations, and in response to these financial challenges, BDC offers flexible solutions such as seasonal repayment terms, fixed or floating interest rates and free progressive disbursement schedules.

BDC's one-on-one solutions can help companies expand and acquire equipment to increase the value of guest services and meet the changing needs of the industry's growing international clientele. As part of its turn-key solutions, the bank has a team of specialists who can provide smart business advice yielding concrete results for tourism operators. 🍁

Information: www.bdc.ca



Business Development Bank of Canada
Banque de développement du Canada

Protect market positions

"Focus group research conducted in the U.S. indicates that in order to change attitudes toward Canada, the messages need to be more tightly focused on the specific way their holiday needs can be met in Canada," CTC president Charles Lapointe told delegates to the Travel and Tourism Research Association (TTRA) conference in Saint John, NB in early October. Lapointe noted that, in order to make an impression, "the messaging must be surprising."

Lapointe's address emphasized the importance of research in times of crisis, outlining the research activities of the CTC and its partners in response to recent economic malaise in many of Canada's markets, the Iraq war, and the SARS crisis. "Research is indeed crucial especially in times of crisis," said Lapointe. "It was pivotal to CTC decision making at a time when the industry was looking to the CTC for leadership." 🍁



Steve McLellan

Tourism Profile

Steve McLellan is the executive director of Tourism Regina, a position he has held since 1997. Previously he spent eight years with the Tourism Industry Association of Saskatchewan and with Tourism Saskatchewan.

McLellan has been in the hospitality industry since 1977 and worked for 11 years in the restaurant sector as a business owner and manager. He holds a Diploma in Hotel Administration and is a certified visitor information counsellor.

He has held many volunteer positions in the Canadian tourism industry. He is past-president of the Canadian Association of Convention and Visitors Bureaus, a former board and executive committee member of the Tourism Industry Association of Canada, and former chair of both the Tourism Alliance for Western and Northern Canada and the Provincial/Territorial Tourism Industry Association.

Currently McLellan is a board member of Saskatchewan Southeast Tourism, the Regina Airport Authority, the Trans Canada #1 West Highway Association, and the Regina City Centenary Committee. He is a lifelong resident of Saskatchewan, is married and has two children.

McLellan feels the number one priority for the CTC in 2004 will be "to keep the Canada brand in the market place while watching the horizon for the next big crisis to set itself upon the tourism industry." He goes on to say, "we will all be looking for the next crisis, real or created, which will affect our businesses. It will be a challenge for the CTC to ensure the message is still heard loud and clear that we are all open for business. The CTC must ensure that all destinations are marketed, not just the majors, as Canada has lots of excellent products and they deserve to be promoted."

In the long term, McLellan feels the CTC must ensure that the Canadian tourism industry will look back on the 10th anniversary of the CTC and say "the CTC made a great difference and we are all more profitable because of it." He is very pleased with the progress made by the CTC over the past few years and says, "as we continue to promote the message that there is life outside Canada's three or four major centers, the legacy of the CTC will be even greater." 🍁

Starting this fall

SELF-SERVICE TICKETING

**Make a quick stop at the VIA Express Ticket kiosks
and take the fast track to the train.**

Now you can book online or by phone and print your own ticket at the **VIA Express Ticket** kiosks in a matter of seconds. Featuring user-friendly touch screens, these sleek, cutting-edge timesaver kiosks are conveniently located in many Windsor – Québec City corridor stations. Or do it all on the spot: book, pay, print your ticket and enjoy your trip!

EXPRESS Ticket


KIOSKS ARE AVAILABLE IN:

- Dorval
- London
- Ottawa
- Toronto
- Fallowfield
- Montréal
- Québec City
- Windsor
- Kingston
- Oshawa
- Sainte-Foy

For more information

www.viarail.ca

1 888 VIA-RAIL (1 888 842-7245)

 TTY 1 800 268-9503 (hearing impaired)



PEOPLE MOVING PEOPLE

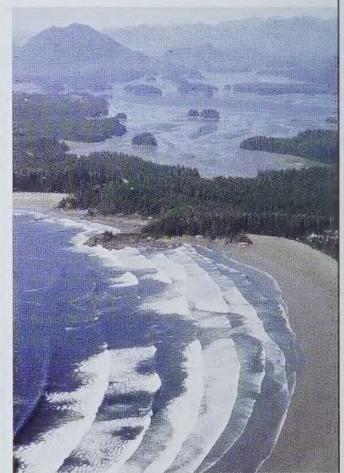
™ Trademark owned by VIA Rail Canada Inc.

www.viarail.ca

VIA 
VIA Rail Canada

Growing

a business in tourism is about
...thinking outside the box,
and doing things your way.



To learn more about Long Beach Lodge Resort, go to: www.longbeachlodgeresort.com

Ask our client, Tim Hackett from **Long Beach Lodge Resort**, Vancouver Island, British Columbia. Mr. Hackett opened his luxurious 43-room resort, facing the Pacific Ocean in April 2002, with a little help from the Business Development Bank of Canada (BDC). Today, Long Beach Lodge Resort is famous for its warm atmosphere and friendly personnel, as well as its beautiful and peaceful surroundings. The resort's mission is simply to meet and exceed the expectations of its valued clientèle.

BDC understands and shares this mission. This is why BDC responds to its Canadian tourism clients with tailor-made solutions, and a view to the long term.

From a growth partner, that's pretty unusual.

business as **unusual**

Canada

1-888-INFO-BDC | www.bdc.ca



Business Development Bank of Canada
Banque de développement du Canada

TOURISM - Canada's Tourism Monthly

is delivered free of charge by the CTC to members of the Canadian tourism industry and its partners.

Change of address, cancellation, subscription...Fax: 613-946-2843
If undeliverable return to: Canadian Tourism Commission,
55 Metcalfe St., Suite 600, Ottawa ON K1P 6L5.
Publication Agreement #40659111.

CANADIAN
TOURISM
COMMISSION



COMMISSION
CANADIENNE
DU TOURISME